



QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2018  
OF THE CONDITION AND AFFAIRS OF THE

Blue Cross Complete of Michigan LLC

NAIC Group Code	00572	00572	NAIC Company Code	11557	Employer's ID Number	47-2582248
	(Current Period)	(Prior Period)				
Organized under the Laws of	Michigan			State of Domicile or Port of Entry	Michigan	
Country of Domicile	United States					
Licensed as business type:	Life, Accident & Health [ ]		Property/Casualty [ ]		Hospital, Medical & Dental Service or Indemnity [ ]	
	Dental Service Corporation [ ]		Vision Service Corporation [ ]		Health Maintenance Organization [ X ]	
	Other [ ]				Is HMO Federally Qualified? Yes [ ] No [ X ]	
Incorporated/Organized	12/18/2014		Commenced Business		01/01/2003	
Statutory Home Office	100 Galleria Officentre, Suite 210			Southfield, MI, US 48034		
	(Street and Number)			(City or Town, State, Country and Zip Code)		
Main Administrative Office	200 Stevens Drive		Philadelphia, PA, US 19113		215-937-8000	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	100 Galleria Officentre, Suite 210		Southfield, MI, US 48034			
	(Street and Number or P.O. Box)		(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	200 Stevens Drive		Philadelphia, PA, US 19113		215-937-8000	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Internet Web Site Address	MiBlueCrossComplete.com					
Statutory Statement Contact	Paul Edward Stevenson			248-663-7997		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	pstevenson@mibluccrosscomplete.com			248-663-7475		
	(E-Mail Address)			(FAX Number)		

OFFICERS

Name	Title	Name	Title
Steven Harvey Bohner	Treasurer	Robert Edward Tootle, Esquire	Secretary
James Michael Jernigan	President		

OTHER OFFICERS

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DIRECTORS OR TRUSTEES

Eileen Mary Coggins	James Michael Jernigan	Mark Robert Bartlett	Lynda Marie Rossi
Kevin Matthew Barowicz			

State of .....Pennsylvania.....

County of .....Philadelphia..... ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions and Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Steven Harvey Bohner Treasurer	Robert Edward Tootle, Esquire Secretary	James Michael Jernigan President
a. Is this an original filing? Yes [ X ] No [ ]		
b. If no:		
1. State the amendment number		
2. Date filed		
3. Number of pages attached		
Subscribed and sworn to before me this day of November, 2018		

ASSETS

	Current Statement Date			4  December 31 Prior Year Net Admitted Assets
	1  Assets	2  Nonadmitted Assets	3  Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	1,648,612		1,648,612	0
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....			0	0
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ .....101,504,142 ), cash equivalents (\$ .....18,295,771 ) and short-term investments (\$ .....53,501,964 ) .....	173,301,877		173,301,877	160,457,402
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives .....	0		0	0
8. Other invested assets .....	0		0	0
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets .....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	174,950,489	0	174,950,489	160,457,402
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	449,851		449,851	5
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	80,641,938		80,641,938	55,850,517
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....			0	0
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	42,818		42,818	0
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0	396,961
18.2 Net deferred tax asset .....	1,007,068	339,564	667,504	540,728
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....			0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....			0	10,000,000
24. Health care (\$ .....2,821,889 ) and other amounts receivable .....	4,215,962	1,394,073	2,821,889	2,630,173
25. Aggregate write-ins for other-than-invested assets .....	2,405,761	2,405,761	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	263,713,887	4,139,398	259,574,489	229,875,786
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27) .....	263,713,887	4,139,398	259,574,489	229,875,786
DETAILS OF WRITE-INS				
1101. ....			0	0
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	0	0	0	0
2501. Prepaid Expenses .....	437,011	437,011	0	0
2502. Intangible Asset .....	1,968,750	1,968,750	0	0
2503. ....			0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	2,405,761	2,405,761	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ ..... reinsurance ceded).....	68,777,623		68,777,623	69,138,884
2. Accrued medical incentive pool and bonus amounts .....	4,256,169		4,256,169	4,542,066
3. Unpaid claims adjustment expenses .....	1,446,684		1,446,684	1,501,175
4. Aggregate health policy reserves including the liability of \$ ..... for medical loss ratio rebate per the Public Health Service Act .....			0	0
5. Aggregate life policy reserves .....			0	0
6. Property/casualty unearned premium reserve .....			0	0
7. Aggregate health claim reserves .....			0	0
8. Premiums received in advance .....			0	0
9. General expenses due or accrued .....	475,069		475,069	448,350
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized gains (losses)) .....	1,332,073		1,332,073	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable .....			0	0
12. Amounts withheld or retained for the account of others .....	79,221,454		79,221,454	70,001,521
13. Remittances and items not allocated .....			0	0
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current) .....			0	0
15. Amounts due to parent, subsidiaries and affiliates .....	6,068,108		6,068,108	6,942,272
16. Derivatives.....			0	0
17. Payable for securities .....	1,119,933		1,119,933	0
18. Payable for securities lending .....			0	0
19. Funds held under reinsurance treaties (with \$ ..... authorized reinsurers, \$ ..... unauthorized reinsurers and \$ ..... certified reinsurers) .....			0	0
20. Reinsurance in unauthorized and certified (\$ ..... ) companies .....			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates .....			0	0
22. Liability for amounts held under uninsured plans .....			0	0
23. Aggregate write-ins for other liabilities (including \$ ..... current) .....	2,608,106	0	2,608,106	2,389,222
24. Total liabilities (Lines 1 to 23).....	165,305,219	0	165,305,219	154,963,490
25. Aggregate write-ins for special surplus funds .....	XXX	XXX	0	16,909,619
26. Common capital stock .....	XXX	XXX		0
27. Preferred capital stock .....	XXX	XXX		0
28. Gross paid in and contributed surplus .....	XXX	XXX	54,000,001	54,000,001
29. Surplus notes .....	XXX	XXX		0
30. Aggregate write-ins for other-than-special surplus funds .....	XXX	XXX	0	0
31. Unassigned funds (surplus) .....	XXX	XXX	40,269,269	4,002,676
32. Less treasury stock, at cost:				
32.1 ..... shares common (value included in Line 26 \$ ..... ) .....	XXX	XXX		0
32.2 ..... shares preferred (value included in Line 27 \$ ..... ) .....	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32) .....	XXX	XXX	94,269,270	74,912,296
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	259,574,489	229,875,786
DETAILS OF WRITE-INS				
2301. Stale Dated Checks.....	758,939		758,939	779,466
2302. Health Insurance Claim Assessment.....	1,849,167		1,849,167	1,609,756
2303. ....			0	0
2398. Summary of remaining write-ins for Line 23 from overflow page .....	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	2,608,106	0	2,608,106	2,389,222
2501. Subsequent Year Affordable Care Act Assessment.....	XXX	XXX		16,909,619
2502. ....	XXX	XXX		0
2503. ....	XXX	XXX		0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	0	16,909,619
3001. ....	XXX	XXX		
3002. ....	XXX	XXX		
3003. ....	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page .....	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months.....	XXX	1,857,913	1,703,197	2,315,784
2. Net premium income (including \$ non-health premium income).....	XXX	549,839,366	646,207,417	884,825,541
3. Change in unearned premium reserves and reserve for rate credits .....	XXX		0	0
4. Fee-for-service (net of \$ medical expenses) .....	XXX		0	0
5. Risk revenue .....	XXX		0	0
6. Aggregate write-ins for other health care related revenues .....	XXX	0	0	0
7. Aggregate write-ins for other non-health revenues .....	XXX	0	0	0
8. Total revenues (Lines 2 to 7) .....	XXX	549,839,366	646,207,417	884,825,541
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits .....		284,409,374	279,137,577	374,561,021
10. Other professional services .....		24,384,480	23,103,199	30,495,707
11. Outside referrals .....		1,342,923	749,376	1,441,704
12. Emergency room and out-of-area .....		37,637,736	30,594,784	40,951,793
13. Prescription drugs .....		89,978,209	75,419,697	102,612,538
14. Aggregate write-ins for other hospital and medical.....	0	3,152,282	164,728,404	228,748,676
15. Incentive pool, withhold adjustments and bonus amounts.....		1,097,935	6,642,710	8,941,958
16. Subtotal (Lines 9 to 15) .....	0	442,002,939	580,375,747	787,753,397
<b>Less:</b>				
17. Net reinsurance recoveries .....		596,112	922,055	1,429,666
18. Total hospital and medical (Lines 16 minus 17) .....	0	441,406,827	579,453,692	786,323,731
19. Non-health claims (net).....			0	0
20. Claims adjustment expenses, including \$ 11,644,790 cost containment expenses.....		18,156,907	13,892,885	19,466,480
21. General administrative expenses.....		63,386,864	39,885,437	54,204,340
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....			0	0
23. Total underwriting deductions (Lines 18 through 22) .....	0	522,950,598	633,232,014	859,994,551
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	26,888,768	12,975,403	24,830,990
25. Net investment income earned .....		2,395,394	967,807	1,426,263
26. Net realized capital gains (losses) less capital gains tax of \$ .....		46,192	20,003	8,872
27. Net investment gains (losses) (Lines 25 plus 26) .....	0	2,441,586	987,810	1,435,135
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ) (amount charged off \$ )] .....			0	0
29. Aggregate write-ins for other income or expenses .....	0	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	XXX	29,330,354	13,963,213	26,266,125
31. Federal and foreign income taxes incurred .....	XXX	9,904,034	4,884,039	9,211,040
32. Net income (loss) (Lines 30 minus 31) .....	XXX	19,426,320	9,079,174	17,055,085
<b>DETAILS OF WRITE-INS</b>				
0601. ....	XXX		0	0
0602. ....	XXX			
0603. ....	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	XXX	0	0	0
0701. ....	XXX			
0702. ....	XXX			
0703. ....	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX	0	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above) .....	XXX	0	0	0
1401. Durable Medical Equipment.....		784,863	557,289	709,881
1402. Alternative Medical Cost.....		1,773,971	1,252,657	1,826,398
1403. Provider Passthrough Programs.....			161,960,072	224,705,178
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	593,448	958,386	1,507,219
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above) .....	0	3,152,282	164,728,404	228,748,676
2901. ....				
2902. ....				
2903. ....				
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above) .....	0	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>			
33. Capital and surplus prior reporting year.....	74,912,296	47,939,286	47,939,286
34. Net income or (loss) from Line 32 .....	19,426,320	9,079,174	17,055,085
35. Change in valuation basis of aggregate policy and claim reserves .....		0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....	224	(2)	(257)
37. Change in net unrealized foreign exchange capital gain or (loss) .....		0	0
38. Change in net deferred income tax .....	60,267	221,207	(556,116)
39. Change in nonadmitted assets .....	(129,837)	(379,588)	474,298
40. Change in unauthorized and certified reinsurance .....	0	0	0
41. Change in treasury stock .....	0	0	0
42. Change in surplus notes .....	0	0	0
43. Cumulative effect of changes in accounting principles .....		0	0
44. Capital Changes:			
44.1 Paid in .....		0	0
44.2 Transferred from surplus (Stock Dividend) .....		0	0
44.3 Transferred to surplus .....		0	0
45. Surplus adjustments:			
45.1 Paid in .....		0	10,000,000
45.2 Transferred to capital (Stock Dividend) .....	0	0	0
45.3 Transferred from capital .....		0	0
46. Dividends to stockholders .....		0	0
47. Aggregate write-ins for gains or (losses) in surplus .....	0	0	0
48. Net change in capital and surplus (Lines 34 to 47) .....	19,356,974	8,920,791	26,973,010
49. Capital and surplus end of reporting period (Line 33 plus 48)	94,269,270	56,860,077	74,912,296
<b>DETAILS OF WRITE-INS</b>			
4701. ....		0	0
4702. ....			
4703. ....			
4798. Summary of remaining write-ins for Line 47 from overflow page .....	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0	0

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	525,047,945	643,504,998	829,298,748
2. Net investment income .....	1,945,418	967,800	1,426,258
3. Miscellaneous income .....	0	0	0
4. Total (Lines 1 to 3) .....	526,993,363	644,472,798	830,725,006
5. Benefit and loss related payments .....	442,790,686	563,033,238	738,156,052
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	72,680,542	55,702,505	74,397,366
8. Dividends paid to policyholders .....		0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....	8,175,000	9,368,000	9,368,000
10. Total (Lines 5 through 9) .....	523,646,228	628,103,743	821,921,418
11. Net cash from operations (Line 4 minus Line 10) .....	3,347,135	16,369,055	8,803,588
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	0	0	0
12.2 Stocks .....	0	0	0
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	46,416	20,001	8,615
12.7 Miscellaneous proceeds .....	1,119,933	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	1,166,349	20,001	8,615
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	1,648,482	0	0
13.2 Stocks .....	0	0	0
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	0	0	0
13.5 Other invested assets .....	0	0	0
13.6 Miscellaneous applications .....	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	1,648,482	0	0
14. Net increase (or decrease) in contract loans and premium notes .....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	(482,133)	20,001	8,615
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	10,000,000	0	0
16.3 Borrowed funds .....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....		0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied).....	(20,527)	10,138,942	39,966
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	9,979,473	10,138,942	39,966
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	12,844,475	26,527,998	8,852,169
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	160,457,402	151,605,233	151,605,233
19.2 End of period (Line 18 plus Line 19.1) .....	173,301,877	178,133,231	160,457,402

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Blue Cross Complete of Michigan LLC

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year .....	202,898	.0	.0	.0	.0	.0	.0	.0	202,898	.0
2. First Quarter .....	196,396	.0	.0	.0	.0	.0	.0	.0	196,396	.0
3. Second Quarter .....	210,536	.0	.0	.0	.0	.0	.0	.0	210,536	.0
4. Third Quarter .....	216,105								216,105	
5. Current Year	0									
6. Current Year Member Months	1,857,913								1,857,913	
Total Member Ambulatory Encounters for Period:										
7. Physician .....	1,131,313								1,131,313	
8. Non-Physician .....	180,847								180,847	
9. Total	1,312,160	0	0	0	0	0	0	0	1,312,160	0
10. Hospital Patient Days Incurred	100,050								100,050	
11. Number of Inpatient Admissions	19,332								19,332	
12. Health Premiums Written (a).....	549,831,221								549,831,221	
13. Life Premiums Direct.....	.0									
14. Property/Casualty Premiums Written .....	.0									
15. Health Premiums Earned .....	549,831,221								549,831,221	
16. Property/Casualty Premiums Earned .....	.0									
17. Amount Paid for Provision of Health Care Services .....	442,650,097								442,650,097	
18. Amount Incurred for Provision of Health Care Services	442,002,939								442,002,939	

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$

## CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

[illegible]



UNDERWRITING AND INVESTMENT EXHIBIT  
ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5  Claims Incurred in Prior Years (Columns 1 + 3)	6  Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
	1  On Claims Incurred Prior to January 1 of Current Year	2  On Claims Incurred During the Year	3  On Claims Unpaid Dec. 31 of Prior Year	4  On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) .....					.....0	.....0
2. Medicare Supplement .....					.....0	.....0
3. Dental only .....					.....0	.....0
4. Vision only .....					.....0	.....0
5. Federal Employees Health Benefits Plan .....					.....0	.....0
6. Title XVIII - Medicare .....					.....0	.....0
7. Title XIX - Medicaid .....	.....48,069,879	.....396,816,236	.....2,827,524	.....65,950,099	.....50,897,403	.....69,138,884
8. Other health .....					.....0	.....0
9. Health subtotal (Lines 1 to 8).....	.....48,069,879	.....396,816,236	.....2,827,524	.....65,950,099	.....50,897,403	.....69,138,884
10. Health care receivables (a) .....		.....4,215,962			.....0	.....0
11. Other non-health .....					.....0	.....0
12. Medical incentive pools and bonus amounts .....	.....1,383,832		.....1,000,000	.....3,256,169	.....2,383,832	.....4,542,066
13. Totals (Lines 9-10+11+12)	49,453,711	392,600,274	3,827,524	69,206,268	53,281,235	73,680,950

(a) Excludes \$ ..... loans or advances to providers not yet expensed.

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE BLUE CROSS COMPLETE OF MICHIGAN LLC

NOTES TO FINANCIAL STATEMENTS

These items are based on illustrations taken from the NAIC Annual Statement Instructions

1. Summary of Significant Accounting Policies and Going Concern

- A. Accounting Practices  
The financial statements of Blue Cross Complete of Michigan LLC (the Company) are presented on the basis of accounting practices prescribed or permitted by the Michigan Department of Insurance and Financial Services (DIFS).

The Michigan DIFS recognizes only statutory accounting practices prescribed or permitted by the State of Michigan for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Michigan Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Michigan. The State has adopted certain prescribed or permitted accounting practices that differ from those found in NAIC SAP. Specifically, the State requires maternity case receivables due from the Department of Community Health to be reported on the health care and other amounts receivable line on page 2 of the Annual Statement. In NAIC SAP, this receivable is reported on the uncollected premiums and agents' balances in the course of collection line. This reclass does not have any monetary effect on net income, surplus or risk based capital. Also, the State requires Passthrough revenue and medical expense on page 4 to be netted and reflected in G&A expenses. In NAIC SAP, the Passthroughs would not be netted and reflected would be reflected in revenue and medical expense. This reclass does not have a monetary effect on net income, surplus or risk based capital.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Michigan is shown below:

	SSAP #	F/S Page	F/S Line#	2018	2017
<u>NET INCOME</u>					
(1) Blue Cross Complete of Michigan LLC state basis (Page 4, Line 32, Columns 2 & 3)				\$.....19,426,320	\$.....17,055,085
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP: Net effect of Passthrough revenue and medical expense reclass to G&A expenses	00	4	2,14,21	\$.....0	\$.....0
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP				\$.....0	\$.....0
(4) NAIC SAP (1-2-3=4)				\$.....19,426,320	\$.....17,055,085
<u>SURPLUS</u>					
(5) Blue Cross Complete of Michigan LLC state basis (Page 3, Line 33, Columns 3 & 4)				\$.....94,269,270	\$.....74,912,296
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP: Maternity case receivables reported as health care receivable	00	2	15.1, 24	\$.....0	\$.....0
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP				\$.....0	\$.....0
(8) NAIC SAP (5-6-7=8)				\$.....94,269,270	\$.....74,912,296

- B. Use of Estimates in the Preparation of the Financial Statements – No significant changes since December 31, 2017.

- C. Accounting Policy  
The Company uses the following accounting policies:
- (1) Short-term investments – None
  - (2) Bonds – None
  - (3) Common Stocks – None
  - (4) Preferred Stock – None
  - (5) Mortgage Loans – None
  - (6) Loan-backed securities – None
  - (7) Investments in subsidiaries, controlled and affiliated (SCA) entities – None
  - (8) Investments in joint ventures, partnerships and limited liability companies – None
  - (9) Derivatives – None
  - (10) Anticipated investment income as a factor in premium deficiency calculation – None
  - (11) Accrued Medical Expense/Unpaid Claim Adjustment Expense – No significant changes since December 31, 2017.
  - (12) Fixed asset capitalization policy modifications – None
  - (13) Pharmaceutical Rebates – No significant changes since December 31, 2017.

- D. Going Concern – None

2. Accounting Changes and Corrections of Errors

Material changes in accounting principle and/or correction of errors – In accordance with Statement of Statutory Accounting Principles (SSAP) No.3 *Accounting Changes and Corrections of Errors* and pursuant to notification received from Michigan DIFS, certain passthrough payments received and paid on behalf of the Michigan Department of Health and Human Services to hospitals will no longer be recorded separate in the revenue and medical expense on the Statement of Revenue and Expenses page. Any reimbursement of expenses or funds received by the HMOs to process these payments will be reflected as a reduction of general expenses. This presentation change has no effect on net income, surplus, assets and liabilities.

3. Business Combinations and Goodwill

- A. Statutory Purchase Method – None  
B. Statutory Merger
- (1) Name and brief description of the combined entities – None
  - (2) Method of accounting – None
  - (3) Shares of stock issued in the transaction – None
  - (4) Details of results of operations – None
  - (5) Adjustments recorded directly to surplus – None
- C. Assumption Reinsurance – None  
D. Impairment Loss recognized on Business Combinations and Goodwill – None

4. Discontinued Operations

- A. Discontinued Operations Disposed of or Classified as Held for Sale – None  
B. Change in Plan of Sale of Discontinued Operation – None  
C. Nature of Any Significant Continuing Involvement with Discontinued Operations After Disposal – None  
D. Equity Interest Retained in the Discontinued Operation After Disposal – None

5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans – None  
B. Debt Restructuring – None  
C. Reverse Mortgages – None  
D. Loan-Backed Securities
- (1) Prepayment assumptions – None
  - (2) Recognized Other-than-Temporary Impairment – None
  - (3) Present Value of Cash Flows – None
  - (4) All impaired securities (fair value is less than cost or amortized cost) for which an other than temporary impairment has not been recognized:
    - (a) The aggregate amount of unrealized losses – None
    - (b) The aggregate related fair value of securities with unrealized losses – None
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions – None  
F. Repurchase Agreements Transactions Accounted for as Secured Borrowing – None  
G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing – None  
H. Repurchase Agreements Transactions Accounted for as a Sale – None  
I. Reverse Repurchase Agreements Transactions Accounted for as a Sale – None  
J. Real Estate – None  
K. Low-income housing tax credits (LIHTC) – None  
L. Restricted Assets
- (1) Restricted Assets (Including Pledged) – No significant changes since December 31, 2017.
  - (2) Detail of Assets Pledged as Collateral Not Captured in Other Categories – None
  - (3) Detail of Other Restricted Assets – None
  - (4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements – None
- M. Working Capital Finance Investments – None  
N. Offsetting and Netting of Assets and Liabilities – None  
O. Structured Notes – None  
P. 5\* Securities – None  
Q. Short Sales – None  
R. Prepayment Penalty and Acceleration Fees – None

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. Investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of admitted assets – None  
B. Impaired investments in Joint Ventures, Partnerships and Limited Liability Companies – None

7. Investment Income

- A. Due and accrued income is excluded from surplus on the following bases – No significant changes since December 31, 2017.  
B. Total amount excluded – No significant changes since December 31, 2017.

8. Derivative Instruments

- A. Market risk, credit risk and cash requirements of the derivative instruments – None  
B. Objective for using derivative instruments – None  
C. Accounting policies for recognizing and measuring derivatives instruments used – None

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE BLUE CROSS COMPLETE OF MICHIGAN LLC

- D. Component of net gain or loss recognized excluded from hedge effectiveness assessment – None
- E. Net gain or loss recognized for derivatives instruments no longer qualifying for hedge accounting – None
- F. Derivative instruments accounted for as cash flow hedges – None
9. Income Taxes – No significant changes since December 31, 2017.
10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties
- A.,B. Material related party transactions – On February 26, 2018, \$5,000,000 in cash was received by the Company from each AmeriHealth Caritas Health Plan and Michigan Medicaid
- C. Holdings Company, fulfilling SSAP No. 72, *Surplus and Quasi-Reorganizations* requirements.
- D. Amounts due from or to related parties as of September 30, 2018 – No significant changes since December 31, 2017.
- E. Parental guarantees – None
- F. Material management or service arrangements – No significant changes since December 31, 2017.
- G. Nature of control relationship – No significant changes since December 31, 2017.
- H. Amounts deducted from the value of an upstream intermediate entity or ultimate parent owned, either directly or indirectly, via a downstream SCA entity – None
- I. Investments in an SCA entity that exceed 10% of admitted assets – None
- J. Write-downs for impaired investments in SCA entities – None
- K. Investment in foreign subsidiary calculation – None
- L. Investment in a downstream noninsurance holding company – None
- M. All SCA Investments
- (1) Balance Sheet Value (Admitted and Nonadmitted) All SCAs – None
- (2) NAIC filing response information – None
- N. Investment in Insurance SCAs – None
11. Debt
- A. Capital Notes – None
- B. Federal Home Loan Bank (FHLB) Agreements – None
12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans
- A. Defined Benefit Plan – None
- B.,C. Postretirement Plan Assets – None
- D. Basis used to determine the overall expected long-term rate-of-return-on-assets assumption – None
- E. Defined Contribution Plans – None
- F. Multiemployer Plans – None
- G. Consolidated/Holding Company Plans – None
- H. Postemployment Benefits and Compensated Absences – None
- I. Impact of Medicare Modernization Act on Postretirement Benefits – None
13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations
- A. Common Capital stock outstanding – None
- B. Preferred stock – None
- C. Dividend restrictions – No significant changes since December 31, 2017.
- D. Dates and amounts of dividends paid – None
- E. Stockholder's portion of ordinary dividend from profits – None
- F. Restrictions placed on unassigned funds (surplus) – None
- G. The total amount of advances to surplus not repaid – None
- H. The amount of stock held by the Company for special purposes – None
- I. Changes in balances of special surplus funds from the prior year – On January 22, 2018, the Continuing Appropriations Act of 2018 placed a moratorium on the Affordable Care Act (ACA) assessment, suspending collection of the health insurance fee for the 2019 calendar year (2018 data year). Thus, premiums written during 2018 are not subject to this assessment and segregation of special surplus is not required. As of September 30, 2018, the change in balance of special surplus funds from the prior year, due to the Subsequent Year ACA assessment, was \$16,909,619.
- J. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses – No significant changes since December 31, 2017.
- K. Surplus notes – None
- L. Impact of any restatement due to quasi-reorganization – None
- M. Effective dates of all quasi-reorganizations in the prior 10 years is/are – None
14. Liabilities, Contingencies and Assessments
- A. Contingent Commitments – None
- B. Assessments – None
- C. Gain Contingencies – None
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits – None
- E. Joint and Several Liabilities – None
- F. All Other Contingencies – None
15. Leases
- A. Lessee Operating Leases
- (1) Lease description – None
- (2) Minimum aggregate rental commitments – None
- (3) Sales leaseback transactions – None
- B. Lessor Leases
- (1) Operating Leases – None
- (2) Leveraged Leases – None
16. Information About Financial Instruments With Off-Balance-Sheet Risk And Financial Instruments With Concentrations of Credit Risk
- A. The face, contract or notional principle amount – None
- B. The nature and terms of the contract – None
- C. The amount of accounting loss the entity would incur if any party to the financial instrument failed completely to perform according to the term of the contract and the collateral or other security, if any, for the amount due proved to be of no value to the entity – None
- D. The Company's policy of requiring collateral or other security to support financial instruments subject to credit risk – None
17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities
- A. Transfers of Receivables reported as Sales – None
- B. Transfer and Servicing of Financial Assets – None
- C. Wash Sales – None
18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans
- A. ASO Plans
- The gains from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans was as follows during 2018:
- |  | ASO<br>Uninsured<br>Plans |    | Uninsured<br>Portions of<br>Partially<br>Insured Plans |    | Total<br>ASO |
|--|---------------------------|----|--|----|--------------|
| (1) Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses | \$ 254,804                | \$ | 0  | \$ | 254,804      |
| (2) Total net other income or expense (including interest paid to or received from plans)                      | \$ 0                      | \$ | 0  | \$ | 0            |
| (3) Net gain or (loss) from operations   | \$ 254,804                | \$ | 0  | \$ | 254,804      |
| (4) Total claim payment volume   | \$ 0                      | \$ | 0  | \$ | 0            |
- B. ASC Plans – None
- C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract – None
19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators – None
20. Fair Value Measurements
- A.,B. Fair value measurement at reporting date
- (1) Certain assets and liabilities of the Company are measured and reported: (a) at amortized cost, or (b) at values that approximate fair value due to their liquid or short-term nature.
- (2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy – None
- (3) Transfers in and/or out of Level 3 – None
- (4) Fair value measurements categorized within Level 2 and 3 – None
- C. The aggregate fair value of all financial instruments and the level within the fair value hierarchy – None
- D. Not Practicable to Estimate Fair Value – None
21. Other Items
- A. Unusual or Infrequent Items – None
- B. Troubled Debt Restructuring: Debtors – None
- C. Other Disclosures – None
- D. Business Interruption Insurance Recoveries – None
- E. State Transferable and Non-transferable Tax Credits – None
- F. Subprime-Mortgage-Related Risk Exposure – None
- G. Retained Assets – None
- H. Insurance-Linked Securities (ILS) Contracts – None
22. Events Subsequent
- Type 1 – Recognized subsequent events – None
- Type 2 – Nonrecognized subsequent events – No significant changes since December 31, 2017.
23. Reinsurance
- A. Ceded Reinsurance Report – None
- B. Uncollectible Reinsurance – None
- C. Commutation of Ceded Reinsurance – None
- D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation
- (1) Reporting Entity Ceding to Certified Reinsurer Whose Rating Was Downgraded or Status Subject to Revocation – None
- (2) Reporting Entity's Certified Reinsurer Rating Downgraded or Status Subject to Revocation – None

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE BLUE CROSS COMPLETE OF MICHIGAN LLC

24.

Retrospectively Rated Contracts & Contracts Subject to Redetermination

A.

Accrued retrospective premium adjustments – None

B.

Accrued retrospective premium as an adjustment to earned premium – None

C.

The amount of net premium written that are subject to retrospective rating features – None

D.

Medical loss ratio rebates required pursuant to the Public Health Service Act – None

E.

Risk- Sharing Provisions of the ACA – None
25.

Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2017 were \$75,182,125 for incurred claims and claim adjustment expenses. As of September 30, 2018, \$50,954,886 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$3,827,524 as a result of the re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been favorable prior year development of \$20,399,715 during 2018 for the year ended December 31, 2017. The favorable reserves developments are attributable to claims settled for amounts less than originally estimated, primarily due to lower health care cost trends as well as the actual claim submission time being faster than assumed in establishing the accrued medical expenses in the prior year. These adjustments are generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.
26.

Intercompany Pooling Arrangements – None
27.

Structured Settlements – None
28.

Health Care Receivables

A.

Pharmaceutical Rebate Receivables – No significant changes since December 31, 2017.

B.

Risk Sharing Receivables – None
29.

Participating Policies – None
30.

Premium Deficiency Reserves – None
31.

Anticipated Salvage and Subrogation – None

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES  
GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes ☐ No ☒
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes ☐ No ☐
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 2.2

If yes, date of change:
- 3.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes ☒ No ☐

If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☐ No ☒
- 3.3

If the response to 3.2 is yes, provide a brief description of those changes.
- 3.4

Is the reporting entity publicly traded or a member of a publicly traded group?

Yes ☐ No ☒
- 3.5

If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 4.2

If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes ☐ No ☒ NA ☐

If yes, attach an explanation.
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2016
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2016
- 6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

05/23/2018
- 6.4

By what department or departments?

Michigan Department of Insurance and Financial Services/Pennsylvania Insurance Department
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☐ No ☐ NA ☒
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☐ No ☐ NA ☒
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes ☐ No ☒
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes ☐ No ☒
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

GENERAL INTERROGATORIES

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes [X] No [ ]

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain: .....

9.2 Has the code of ethics for senior managers been amended? ..... Yes [ ] No [X]

9.21 If the response to 9.2 is Yes, provide information related to amendment(s). .....

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes [ ] No [X]

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s). .....

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?..... Yes [ ] No [X]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:.....\$ .....

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes [ ] No [X]

11.2 If yes, give full and complete information relating thereto: .....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: .....\$ .....

13. Amount of real estate and mortgages held in short-term investments: .....\$ .....

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes [ ] No [X]

14.2 If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....	\$ .....
14.22 Preferred Stock .....	\$ .....	\$ .....
14.23 Common Stock .....	\$ .....	\$ .....
14.24 Short-Term Investments .....	\$ .....	\$ .....
14.25 Mortgage Loans on Real Estate .....	\$ .....	\$ .....
14.26 All Other .....	\$ .....	\$ .....
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$ .....0	\$ .....0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....	\$ .....

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? ..... Yes [ ] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes [ ] No [ ]

If no, attach a description with this statement.

GENERAL INTERROGATORIES

16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

\$.....0

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

\$.....0

16.3 Total payable for securities lending reported on the liability page

\$.....0

17. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*? ..... Yes [X] No [ ]

17.1 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Bank of New York Mellon.....	4400 Computer Drive, Westborough, MA 01581.....
PNC Bank.....	One Financial Parkway, Kalamazoo, MI 49009.....

17.2 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? ..... Yes [ ] No [X]

17.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

17.5 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. [“...that have access to the investment accounts”; “...handle securities”]

1 Name of Firm or Individual	2 Affiliation
Michael Burgoyne, who makes recommendations to BOD.....	I.....
Steven Bohner, who makes recommendations to BOD.....	I.....
Western Asset Management Company.....	U.....

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) manage more than 10% of the reporting entity's assets? ..... Yes [ X ] No [ ]

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets? ..... Yes [ ] No [ X ]

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of “A” (affiliated) or “U” (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
CRD 110441.....	Western Asset Management Company.....		SEC.....	NO.....

18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? ..... Yes [X] No [ ]

18.2 If no, list exceptions:  
.....

19. By self-designating 5\*GI securities, the reporting entity is certifying the following elements for each self-designated 5\*GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5\*GI securities?..... Yes [ ] No [ ]

GENERAL INTERROGATORIES  
PART 2 - HEALTH

1.

Operating Percentages:

1.1 A&H loss percent

82.4 %

1.2 A&H cost containment percent

2.1 %

1.3 A&H expense percent excluding cost containment expenses

11.5 %

2.1

Do you act as a custodian for health savings accounts?

Yes ☐ No ☒

2.2

If yes, please provide the amount of custodial funds held as of the reporting date

\$

2.3

Do you act as an administrator for health savings accounts?

Yes ☐ No ☒

2.4

If yes, please provide the balance of the funds administered as of the reporting date

\$

3.

Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?

Yes ☐ No ☒

3.1

If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity?

Yes ☐ No ☒





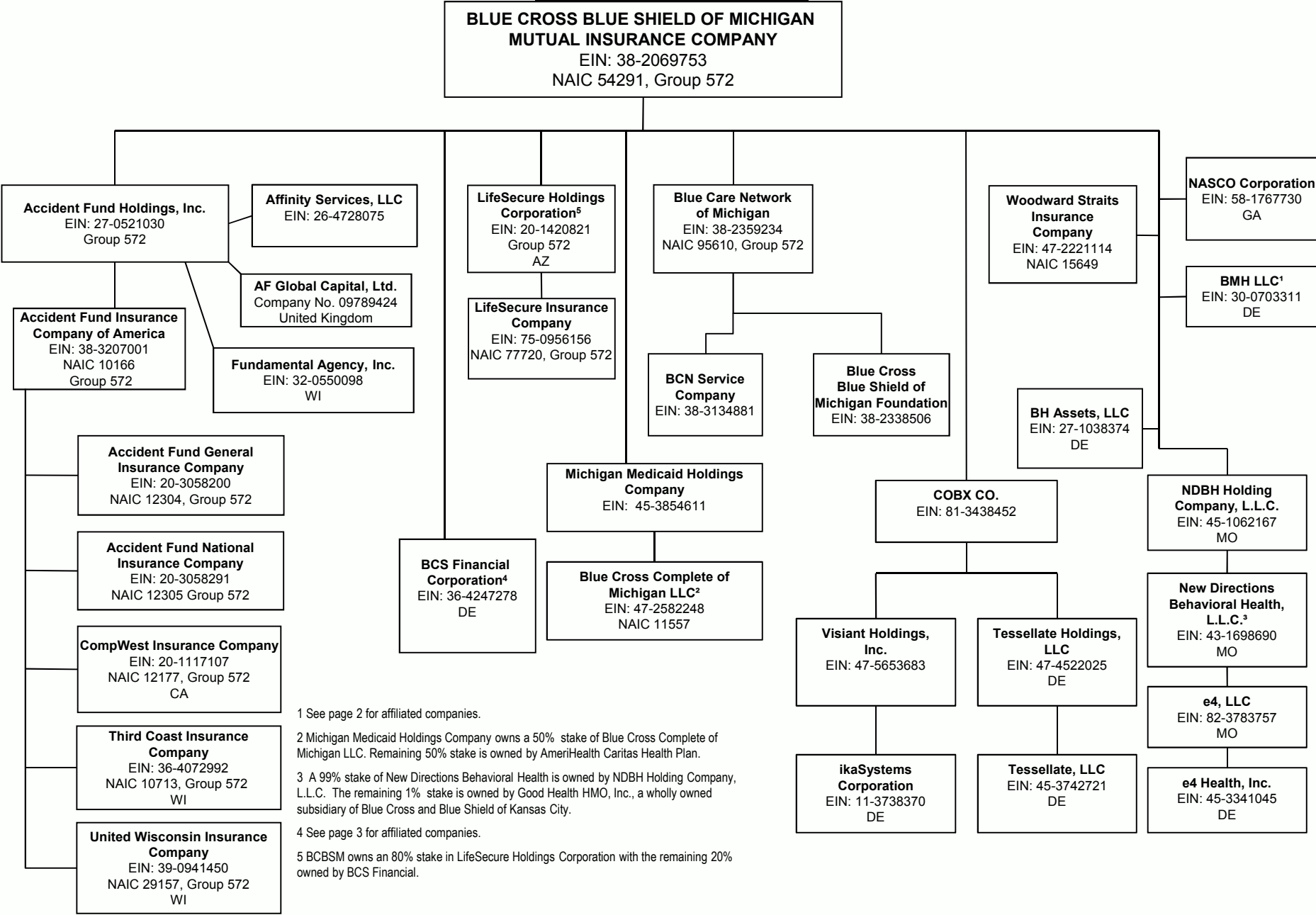
SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories										
States, Etc.	1  Active Status (a)	Direct Business Only								
		2  Accident & Health Premiums	3  Medicare Title XVIII	4  Medicaid Title XIX	5  Federal Employees Health Benefits Program Premiums	6  Life & Annuity Premiums & Other Considerations	7  Property/ Casualty Premiums	8  Total Columns 2 Through 7	9  Deposit-Type Contracts	
1. Alabama .....	AL	N						0		
2. Alaska .....	AK	N						0		
3. Arizona .....	AZ	N						0		
4. Arkansas .....	AR	N						0		
5. California .....	CA	N						0		
6. Colorado .....	CO	N						0		
7. Connecticut .....	CT	N						0		
8. Delaware .....	DE	N						0		
9. Dist. Columbia .....	DC	N						0		
10. Florida .....	FL	N						0		
11. Georgia .....	GA	N						0		
12. Hawaii .....	HI	N						0		
13. Idaho .....	ID	N						0		
14. Illinois .....	IL	N						0		
15. Indiana .....	IN	N						0		
16. Iowa .....	IA	N						0		
17. Kansas .....	KS	N						0		
18. Kentucky .....	KY	N						0		
19. Louisiana .....	LA	N						0		
20. Maine .....	ME	N						0		
21. Maryland .....	MD	N						0		
22. Massachusetts .....	MA	N						0		
23. Michigan .....	MI	L		549,831,221				549,831,221		
24. Minnesota .....	MN	N						0		
25. Mississippi .....	MS	N						0		
26. Missouri .....	MO	N						0		
27. Montana .....	MT	N						0		
28. Nebraska .....	NE	N						0		
29. Nevada .....	NV	N						0		
30. New Hampshire .....	NH	N						0		
31. New Jersey .....	NJ	N						0		
32. New Mexico .....	NM	N						0		
33. New York .....	NY	N						0		
34. North Carolina .....	NC	N						0		
35. North Dakota .....	ND	N						0		
36. Ohio .....	OH	N						0		
37. Oklahoma .....	OK	N						0		
38. Oregon .....	OR	N						0		
39. Pennsylvania .....	PA	N						0		
40. Rhode Island .....	RI	N						0		
41. South Carolina .....	SC	N						0		
42. South Dakota .....	SD	N						0		
43. Tennessee .....	TN	N						0		
44. Texas .....	TX	N						0		
45. Utah .....	UT	N						0		
46. Vermont .....	VT	N						0		
47. Virginia .....	VA	N						0		
48. Washington .....	WA	N						0		
49. West Virginia .....	WV	N						0		
50. Wisconsin .....	WI	N						0		
51. Wyoming .....	WY	N						0		
52. American Samoa .....	AS	N						0		
53. Guam .....	GU	N						0		
54. Puerto Rico .....	PR	N						0		
55. U.S. Virgin Islands .....	VI	N						0		
56. Northern Mariana Islands .....	MP	N						0		
57. Canada .....	CAN	N						0		
58. Aggregate other alien .....	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal .....	XXX	0	0	549,831,221	0	0	0	549,831,221	0	0
60. Reporting entity contributions for Employee Benefit Plans .....	XXX							0		
61. Total (Direct Business) .....	XXX	0	0	549,831,221	0	0	0	549,831,221	0	0
DETAILS OF WRITE-INS										
58001. ....	XXX									
58002. ....	XXX									
58003. ....	XXX									
58998. Summary of remaining write-ins for Line 58 from overflow page. ....	XXX	0	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above) .....	XXX	0	0	0	0	0	0	0	0	0

(a) Active Status Counts

L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG .....1 R – Registered – Non-domiciled RRGs .....0  
E – Eligible – Reporting entities eligible or approved to write surplus lines in the state .....0 Q – Qualified – Qualified or accredited reinsurer .....0  
N – None of the above – Not allowed to write business in the state .....56

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Blue Cross Complete of Michigan LLC  
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER OF A HOLDING COMPANY GROUP  
PART 1 – ORGANIZATION CHART



1 See page 2 for affiliated companies.

2 Michigan Medicaid Holdings Company owns a 50% stake of Blue Cross Complete of Michigan LLC. Remaining 50% stake is owned by AmeriHealth Caritas Health Plan.

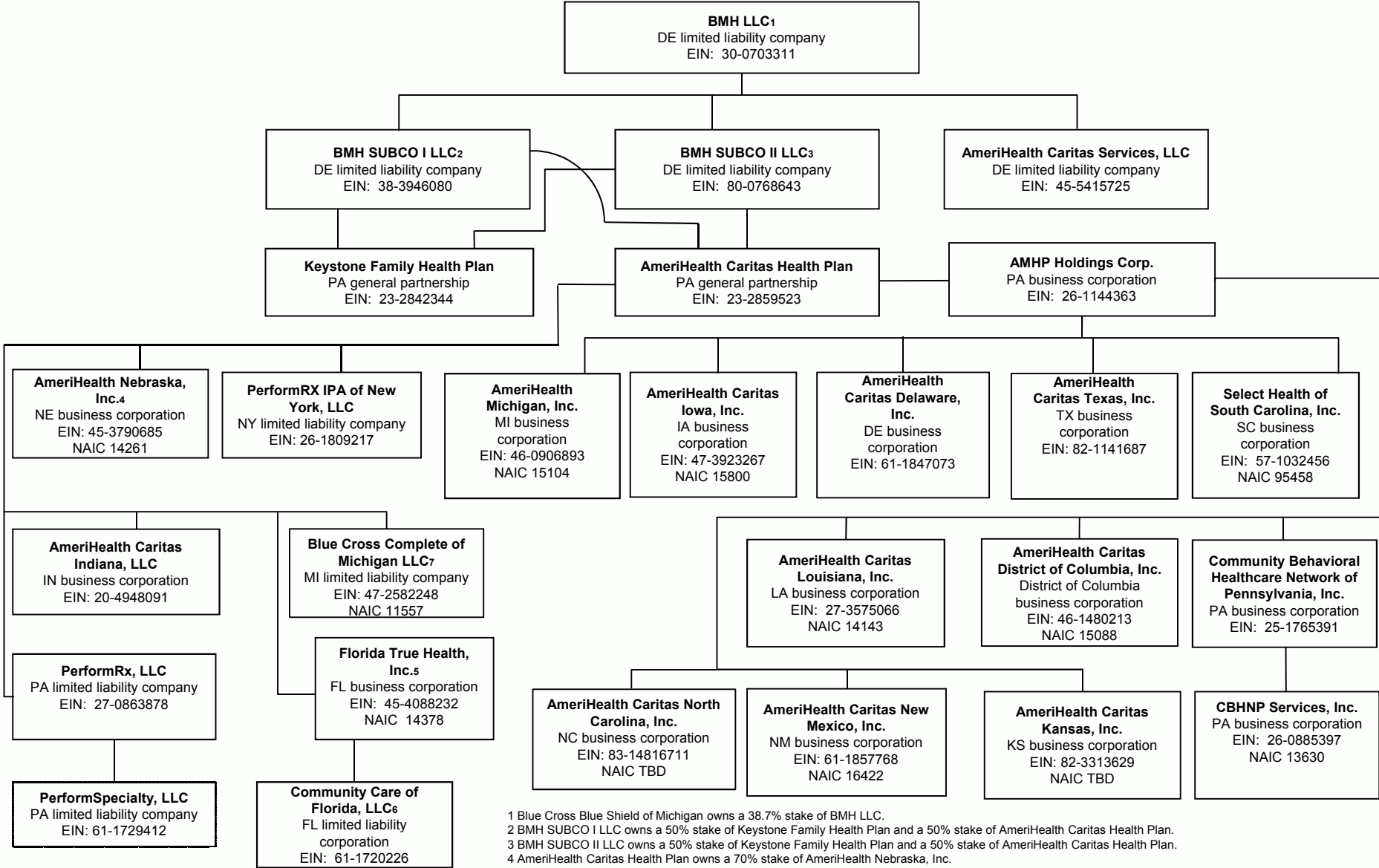
3 A 99% stake of New Directions Behavioral Health is owned by NDBH Holding Company, L.L.C. The remaining 1% stake is owned by Good Health HMO, Inc., a wholly owned subsidiary of Blue Cross and Blue Shield of Kansas City.

4 See page 3 for affiliated companies.

5 BCBSM owns an 80% stake in LifeSecure Holdings Corporation with the remaining 20% owned by BCS Financial.

All entities that do not reflect a particular state name or abbreviation are domiciled in Michigan.

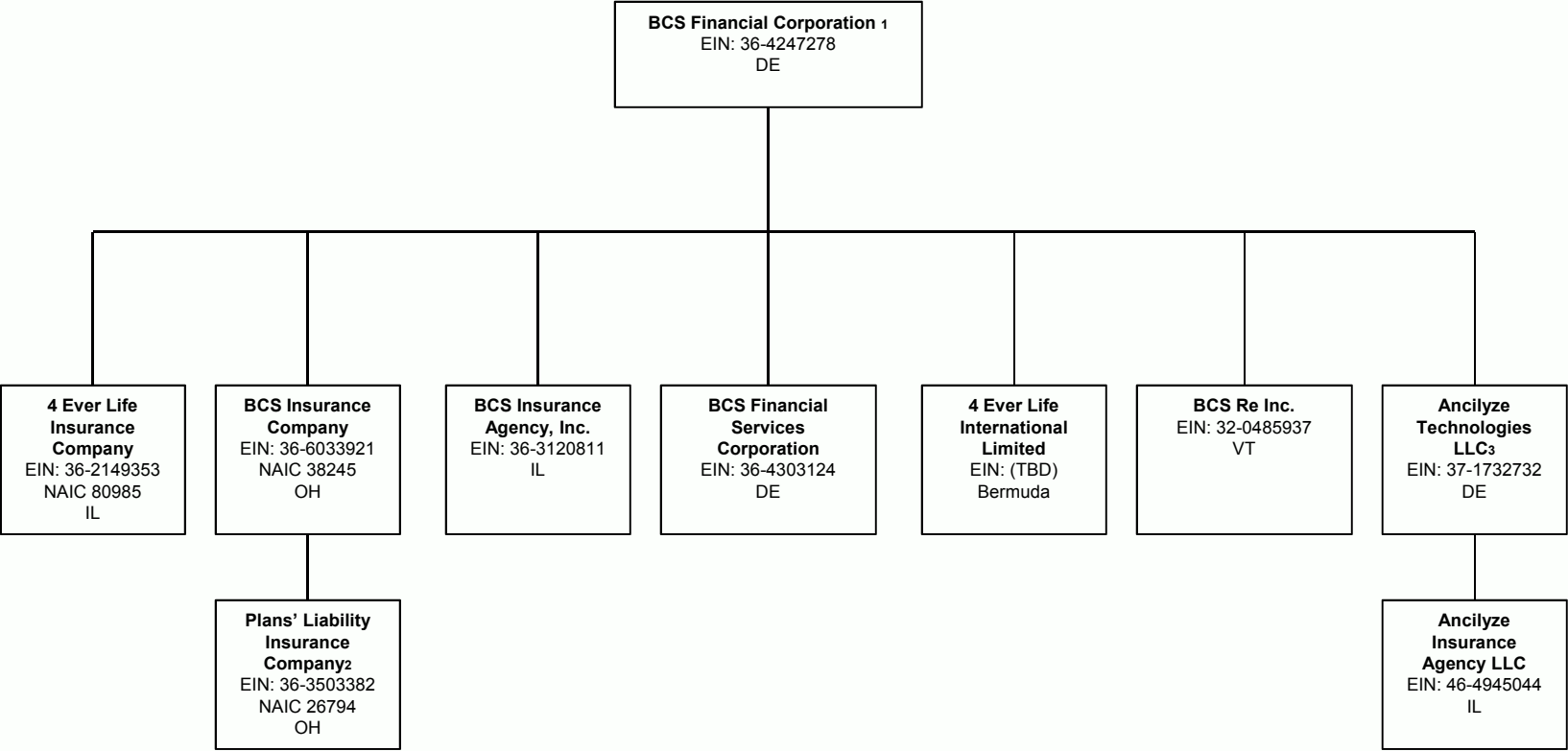
**STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Blue Cross Complete of Michigan LLC**  
**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER OF A HOLDING COMPANY GROUP**  
**PART 1 – ORGANIZATION CHART**



1 Blue Cross Blue Shield of Michigan owns a 38.7% stake of BMH LLC.  
2 BMH SUBCO I LLC owns a 50% stake of Keystone Family Health Plan and a 50% stake of AmeriHealth Caritas Health Plan.  
3 BMH SUBCO II LLC owns a 50% stake of Keystone Family Health Plan and a 50% stake of AmeriHealth Caritas Health Plan.  
4 AmeriHealth Caritas Health Plan owns a 70% stake of AmeriHealth Nebraska, Inc.  
5 AmeriHealth Caritas Health Plan owns a 50% stake of Florida True Health, Inc.  
6 Florida True Health, Inc. owns a 51% stake of Community Care of Florida, LLC.  
7 AmeriHealth Caritas Health Plan owns a 50% stake of Blue Cross Complete of Michigan LLC. Michigan Medicaid Holdings owns the remaining 50% stake.

All entities that do not reflect a particular state name or abbreviation are domiciled in Michigan.

**STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Blue Cross Complete of Michigan LLC**  
**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER OF A HOLDING COMPANY GROUP**  
**PART 1 – ORGANIZATION CHART**



1 Blue Cross Blue Shield of Michigan owns 10.1% of BCS Financial Corporation  
Accident Fund Insurance Company of America owns 3.56% of BCS Financial Corporation  
2 BCS Financial Corporation owns a 6.64% of Plans' Liability Insurance Company  
3 BCS Financial Corporation owns 50% of Ancilyze Technologies LLC

All entities that do not reflect a particular state name or abbreviation are domiciled in Michigan.

SCHEDULE Y  
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
00572	BC/BS of Michigan Mutual Insurance Co.....	54291	38-2069753				Blue Cross Blue Shield of Michigan Mutual Insurance Company.....	MI	RE	State of Michigan.....	Legal.....		Blue Cross Blue Shield of Michigan Mutual Insurance Company.....	N	
00572	BC/BS of Michigan Mutual Insurance Co.....	00000	27-0521030				Accident Fund Holdings, Inc.....	MI	DS	Blue Cross Blue Shield of Michigan Mutual Insurance Company.....	Ownership.....	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company.....	Y	
00572	BC/BS of Michigan Mutual Insurance Co.....	00000	00-9789424				AF Global Capital, Ltd.....	GBR	DS	Accident Fund Holdings, Inc.....	Ownership.....	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company.....	Y	
00572	BC/BS of Michigan Mutual Insurance Co.....	10166	38-3207001				Accident Fund Insurance Company of America.....	MI	DS	Accident Fund Holdings, Inc.....	Ownership.....	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company.....	N	
00572	BC/BS of Michigan Mutual Insurance Co.....	00000	26-4728075				Affinity Services, LLC.....	MI	DS	Accident Fund Holdings, Inc.....	Ownership.....	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company.....	N	
00572	BC/BS of Michigan Mutual Insurance Co.....	00000	32-0550098				Fundamental Agency, Inc.....	WI	DS	Accident Fund Holdings, Inc.....	Ownership.....	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company.....	Y	
00572	BC/BS of Michigan Mutual Insurance Co.....	29157	39-0941450				United Wisconsin Insurance Company.....	WI	DS	Accident Fund Insurance Company of America.....	Ownership.....	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company.....	N	
00572	BC/BS of Michigan Mutual Insurance Co.....	12304	20-3058200				Accident Fund General Insurance Company.....	MI	DS	Accident Fund Insurance Company of America.....	Ownership.....	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company.....	N	
00572	BC/BS of Michigan Mutual Insurance Co.....	12305	20-3058291				Accident Fund National Insurance Company.....	MI	DS	Accident Fund Insurance Company of America.....	Ownership.....	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company.....	N	
00572	BC/BS of Michigan Mutual Insurance Co.....	10713	36-4072992				Third Coast Insurance Company.....	WI	DS	Accident Fund Insurance Company of America.....	Ownership.....	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company.....	N	
00572	BC/BS of Michigan Mutual Insurance Co.....	12177	20-1117107				CompWest Insurance Company.....	CA	DS	Accident Fund Insurance Company of America.....	Ownership.....	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company.....	N	

SCHEDULE Y  
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
00572	BC/BS of Michigan Mutual Insurance Co.	00000	20-1420821				LifeSecure Holdings Corporation	AZ	DS	Blue Cross Blue Shield of Michigan Mutual Insurance Company	Ownership	80.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company	Y	
00572	BC/BS of Michigan Mutual Insurance Co.	77720	75-0956156				LifeSecure Insurance Company	MI	DS	LifeSecure Holdings Corporation	Ownership	80.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company	N	
00572	BC/BS of Michigan Mutual Insurance Co.	95610	38-2359234				Blue Care Network of Michigan	MI	DS	Blue Cross Blue Shield of Michigan Mutual Insurance Company	Ownership	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company	N	
00572	BC/BS of Michigan Mutual Insurance Co.	00000	45-3854611				Michigan Medicaid Holdings Company	MI	DS	Blue Cross Blue Shield of Michigan Mutual Insurance Company	Ownership	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company	Y	
00572	BC/BS of Michigan Mutual Insurance Co.	11557	47-2582248				Blue Cross Complete of Michigan LLC	MI	DS	Michigan Medicaid Holdings Company	Ownership	50.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company	N	
00572	BC/BS of Michigan Mutual Insurance Co.	00000	38-3134881				BCN Service Company	MI	DS	Blue Care Network of Michigan	Ownership	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company	Y	
00572	BC/BS of Michigan Mutual Insurance Co.	00000	38-2338506				Blue Cross and Blue Shield of Michigan Foundation	MI	DS	Blue Care Network of Michigan	Ownership	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company	N	
00572	BC/BS of Michigan Mutual Insurance Co.	15649	47-2221114				Woodward Straits Insurance Company	MI	DS	Blue Cross Blue Shield of Michigan Mutual Insurance Company	Ownership	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company	N	
00572	BC/BS of Michigan Mutual Insurance Co.	00000	81-3438452				COBX Co.	MI	NIA	Blue Cross Blue Shield of Michigan Mutual Insurance Company	Ownership	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company	Y	
00572	BC/BS of Michigan Mutual Insurance Co.	00000	47-5653683				Visiant Holdings, Inc.	MI	NIA	COBX Co.	Ownership	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company	Y	
00572	BC/BS of Michigan Mutual Insurance Co.	00000	11-3738370				ikaSystems Corporation	DE	NIA	Visiant Holdings, Inc.	Ownership	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company	Y	

SCHEDULE Y  
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
00572	BC/BS of Michigan Mutual Insurance Co.	00000	58-1767730				NASCO Corporation	GA	NIA	Blue Cross Blue Shield of Michigan Mutual Insurance Company	Ownership	19.5	Blue Cross Blue Shield of Michigan Mutual Insurance Company	N	
00572	BC/BS of Michigan Mutual Insurance Co.	00000	27-1038374				BH Assets, LLC	DE	NIA	Blue Cross Blue Shield of Michigan Mutual Insurance Company	Ownership	28.7	Blue Cross Blue Shield of Michigan Mutual Insurance Company	N	
00572	BC/BS of Michigan Mutual Insurance Co.	00000	47-4522025				Tessellate Holdings, LLC	DE	NIA	COBX Co.	Ownership	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company	Y	
00572	BC/BS of Michigan Mutual Insurance Co.	00000	45-3742721				Tessellate, LLC	DE	NIA	Tessellate Holdings, LLC	Ownership	100.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company	Y	
00572	BC/BS of Michigan Mutual Insurance Co.	00000	45-1062167				NDBH Holding Company, LLC	MO	NIA	Blue Cross Blue Shield of Michigan Mutual Insurance Company	Ownership	10.0	Blue Cross Blue Shield of Michigan Mutual Insurance Company	N	
00572	BC/BS of Michigan Mutual Insurance Co.	00000	43-1698690				New Directions Behavioral Health, LLC	MO	NIA	NDBH Holding Company, LLC	Ownership	9.9	Blue Cross Blue Shield of Michigan Mutual Insurance Company	N	
00572	BC/BS of Michigan Mutual Insurance Co.	00000	82-3783757				e4, LLC	MO	NIA	New Directions Behavioral Health, LLC	Ownership	9.9	Blue Cross Blue Shield of Michigan Mutual Insurance Company	N	
00572	BC/BS of Michigan Mutual Insurance Co.	00000	45-3341045				e4 Health, Inc.	DE	NIA	e4, LLC	Ownership	9.9	Blue Cross Blue Shield of Michigan Mutual Insurance Company	N	
00572	BC/BS of Michigan Mutual Insurance Co.	00000	30-0703311				BMH LLC	DE	NIA	IBC MH LLC	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		00000	38-3946080				BMH SUBCO I LLC	DE	NIA	BMH LLC	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		00000	80-0768643				BMH SUBCO II LLC	DE	NIA	BMH LLC	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		00000	45-5415725				AmeriHealth Caritas Services, LLC	DE	NIA	BMH LLC	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		00000	23-2859523				AmeriHealth Caritas Health Plan	PA	NIA	BMH SUBCO I LLC	Ownership	19.4	BCBSM and IBC MH LLC	N	
00000		00000	23-2859523				AmeriHealth Caritas Health Plan	PA	NIA	BMH SUBCO II LLC	Ownership	19.4	BCBSM and IBC MH LLC	N	
00000		14143	27-3575066				AmeriHealth Caritas Louisiana, Inc.	LA	IA	AMHP Holdings Corp.	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		95458	57-1032456				Select Health of South Carolina, Inc.	SC	IA	AMHP Holdings Corp.	Ownership	38.7	BCBSM and IBC MH LLC	N	



SCHEDULE Y  
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
00000		00000	20-4948091				AmeriHealth Caritas Indiana, LLC	IN	NIA	AmeriHealth Caritas Health Plan	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		15800	47-3923267				AmeriHealth Caritas Iowa, Inc.	IA	IA	AMHP Holdings Corp.	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		00000	26-1809217				Perform RX IPA of New York, LLC	NY	NIA	AmeriHealth Caritas Health Plan	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		00000	26-1144363				AMHP Holdings Corp.	PA	NIA	AmeriHealth Caritas Health Plan	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		00000	25-1765391				Community Behavioral Healthcare Network of Pennsylvania, Inc.	PA	NIA	AMHP Holdings Corp.	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		13630	26-0885397				CBHNP Services, Inc.	PA	IA	Community Behavioral Healthcare Network of Pennsylvania, Inc.	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		14378	45-4088232				Florida True Health, Inc.	FL	IA	AmeriHealth Caritas Health Plan	Ownership	19.4	BCBSM and IBC MH LLC	N	
00000		00000	61-1847073				AmeriHealth Caritas Delaware, Inc.	DE	NIA	AMHP Holdings Corp.	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		00000	61-1720226				Community Care of Florida, LLC	FL	NIA	Florida True Health, Inc.	Ownership	9.9	BCBSM and IBC MH LLC	N	
00000		15088	46-1482013				AmeriHealth District of Columbia, Inc.	DC	IA	AMHP Holdings Corp.	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		15104	46-0906893				AmeriHealth Michigan, Inc.	MI	IA	AMHP Holdings Corp.	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		00000	82-1141687				AmeriHealth Caritas Texas, Inc.	TX	NIA	AMHP Holdings Corp.	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		14261	45-3790685				AmeriHealth Nebraska, Inc.	NE	IA	AmeriHealth Caritas Health Plan	Ownership	27.1	BCBSM and IBC MH LLC	N	
00000		00000	82-3313629				AmeriHealth Caritas Kansas, Inc.	KS	IA	AMHP Holdings Corp.	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		00000					AmeriHealth Caritas North Carolina, Inc.	NC	IA	AMHP Holdings Corp.	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		16422	61-1857768				AmeriHealth Caritas New Mexico	NM	IA	AMHP Holdings Corp.	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		00000	27-0863878				PerformRx, LLC	PA	NIA	AmeriHealth Caritas Health Plan	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		00000	61-1729412				PerformSpecialty, LLC	PA	NIA	PerformRx, LLC	Ownership	38.7	BCBSM and IBC MH LLC	N	
00000		00000	23-2842344				Keystone Family Health Plan	PA	NIA	BMH SUBCO I LLC	Ownership	19.4	BCBSM and IBC MH LLC	N	
00000		00000	23-2842344				Keystone Family Health Plan	PA	NIA	BMH SUBCO II LLC	Ownership	19.4	BCBSM and IBC MH LLC	N	
00000		11557	47-2582248				Blue Cross Complete of Michigan LLC	MI	IA	AmeriHealth Caritas Health Plan	Ownership	19.4	BCBSM and IBC MH LLC	N	

## 16.4

## 16.4

## 16.4

## 16.4

**SCHEDULE Y**  
**PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

Asterisk	Explanation

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

RESPONSE

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

.....NO.....

Explanation:

1. Business not written

Bar Code:

1.



11557201836500003

OVERFLOW PAGE FOR WRITE-INS

MQ004 Additional Aggregate Lines for Page 04 Line 14.  
\*REVEX1

	1 Current Year To Date Uncovered	2 Current Year To Date Total	3 Prior Year To Date Total	4 Prior Year Ended December 31 Total
1404. Consumer Incentives.....		593,448	958,386	1,162,015
1405. Access to Care.....			0	345,204
1406. ....			0	0
1407. ....			0	0
1497. Summary of remaining write-ins for Line 14 from Page 04	0	593,448	958,386	1,507,219

SCHEDULE A – VERIFICATION

Real Estate

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		0
2.2 Additional investment made after acquisition .....		0
3. Current year change in encumbrances .....		0
4. Total gain (loss) on disposals .....		0
5. Deduct amounts received on disposals .....		0
6. Total foreign exchange change in book/adjusted carrying value .....		0
7. Deduct current year's other-than-temporary impairment recognized .....		0
8. Deduct current year's depreciation .....		0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....	0	0
10. Deduct total nonadmitted amounts .....	0	0
11. Statement value at end of current period (Line 9 minus Line 10) .....	0	0

SCHEDULE B – VERIFICATION

Mortgage Loans

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		0
2.2 Additional investment made after acquisition .....		0
3. Capitalized deferred interest and other .....		0
4. Accrual of discount .....		0
5. Unrealized valuation increase (decrease) .....		0
6. Total gain (loss) on disposals .....		0
7. Deduct amounts received on disposals .....		0
8. Deduct amortization of premium and mortgage interest points and commitment fees .....		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest .....		0
10. Deduct current year's other-than-temporary impairment recognized .....		0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	0	0
12. Total valuation allowance .....		0
13. Subtotal (Line 11 plus Line 12) .....	0	0
14. Deduct total nonadmitted amounts .....	0	0
15. Statement value at end of current period (Line 13 minus Line 14) .....	0	0

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		0
2.2 Additional investment made after acquisition .....		0
3. Capitalized deferred interest and other .....		0
4. Accrual of discount .....		0
5. Unrealized valuation increase (decrease) .....		0
6. Total gain (loss) on disposals .....		0
7. Deduct amounts received on disposals .....		0
8. Deduct amortization of premium and depreciation .....		0
9. Total foreign exchange change in book/adjusted carrying value .....		0
10. Deduct current year's other-than-temporary impairment recognized .....		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	0	0
12. Deduct total nonadmitted amounts .....	0	0
13. Statement value at end of current period (Line 11 minus Line 12) .....	0	0

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	0	0
2. Cost of bonds and stocks acquired .....	1,648,482	0
3. Accrual of discount .....	130	0
4. Unrealized valuation increase (decrease) .....	0	0
5. Total gain (loss) on disposals .....	0	0
6. Deduct consideration for bonds and stocks disposed of .....	0	0
7. Deduct amortization of premium .....	0	0
8. Total foreign exchange change in book/adjusted carrying value .....	0	0
9. Deduct current year's other-than-temporary impairment recognized .....	0	0
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees .....	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10) .....	1,648,612	0
12. Deduct total nonadmitted amounts .....	0	0
13. Statement value at end of current period (Line 11 minus Line 12) .....	1,648,612	0

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Blue Cross Complete of Michigan LLC

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a).....	0	280,611,778	219,856,353	(543)	0	0	60,754,882	0
2. NAIC 2 (a).....	0	4,296,752	0	0	0	0	4,296,752	0
3. NAIC 3 (a).....	0	0	0	0	0	0	0	0
4. NAIC 4 (a).....	0	0	0	0	0	0	0	0
5. NAIC 5 (a).....	0	0	0	0	0	0	0	0
6. NAIC 6 (a).....	0	0	0	0	0	0	0	0
7. Total Bonds	0	284,908,530	219,856,353	(543)	0	0	65,051,634	0
<b>PREFERRED STOCK</b>								
8. NAIC 1 .....	0	0	0	0	0	0	0	0
9. NAIC 2 .....	0	0	0	0	0	0	0	0
10. NAIC 3 .....	0	0	0	0	0	0	0	0
11. NAIC 4 .....	0	0	0	0	0	0	0	0
12. NAIC 5 .....	0	0	0	0	0	0	0	0
13. NAIC 6 .....	0	0	0	0	0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	0	284,908,530	219,856,353	(543)	0	0	65,051,634	0

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ .....59,106,269 ; NAIC 2 \$ .....4,296,752 ;  
NAIC 3 \$ .....0 ; NAIC 4 \$ .....0 ; NAIC 5 \$ .....0 ; NAIC 6 \$ .....0

SCHEDULE DA - PART 1
Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	53,501,964	XXX	53,501,964	20,245	430

SCHEDULE DA - VERIFICATION
Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	3,003,907
2. Cost of short-term investments acquired .....	53,501,964	1,175,609,844
3. Accrual of discount .....	0	0
4. Unrealized valuation increase (decrease).....	0	0
5. Total gain (loss) on disposals .....	0	14,490
6. Deduct consideration received on disposals .....	0	1,178,628,241
7. Deduct amortization of premium.....	0	0
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other-than-temporary impairment recognized.....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	53,501,964	0
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	53,501,964	0



Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

SCHEDULE E – PART 2 – VERIFICATION  
(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	33,796,841	0
2. Cost of cash equivalents acquired .....	1,313,108,816	225,302,716
3. Accrual of discount .....	0	0
4. Unrealized valuation increase (decrease) .....	223	(256)
5. Total gain (loss) on disposals.....	46,191	(5,619)
6. Deduct consideration received on disposals .....	1,328,655,626	191,500,000
7. Deduct amortization of premium .....	674	0
8. Total foreign exchange change in book/adjusted carrying value .....	0	0
9. Deduct current year's other than temporary impairment recognized .....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	18,295,771	33,796,841
11. Deduct total nonadmitted amounts .....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	18,295,771	33,796,841

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

## E04

## E04

E04

E04

Schedule D - Part 4

NONE

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

**STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Blue Cross Complete of Michigan LLC**

## SCHEDULE E - PART 1 - CASH

[illegible]

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Blue Cross Complete of Michigan LLC

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter								
1	2	3	4	5	6	7	8	9
CUSIP	Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations								
XXX	ENTERPRISE PRODS OPER LLC DISC CP		09/26/2018	0.000	10/10/2018	1,009,069	332	0
XXX	EXPORT DEV CORP 0% CP 10/10/2018		08/17/2018	0.000	10/10/2018	259,189	676	0
XXX	FORTIVE CORP 0% CP 09/10/2018		09/04/2018	0.000	10/09/2018	1,097,572	1,872	0
XXX	HENKEL CORP 0% CP 14/11/2018		08/22/2018	0.000	11/14/2018	2,109,018	5,215	0
XXX	HYUNDAI CAP AMER INC 0% CP 01/10/2		08/14/2018	0.000	10/01/2018	1,096,700	3,300	0
XXX	NRW BK 0% CP 31/10/2018		08/29/2018	0.000	10/31/2018	2,111,949	4,209	0
XXX	AUTOMATIC DATA PROCESSING INC 0% C		09/28/2018	0.000	10/02/2018	1,119,933	0	0
XXX	AUTOZONE INC 0% CP 09/10/2018		09/04/2018	0.000	10/09/2018	1,097,626	1,831	0
3299999 - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations						9,901,056	17,435	0
3899999 - Industrial and Miscellaneous (Unaffiliated) - Subtotals						9,901,056	17,435	0
7799999 - Total Bonds - Subtotals - Issuer Obligations						9,901,056	17,435	0
8399999 - Total Bonds - Subtotals - Bonds						9,901,056	17,435	0
Exempt Money Market Mutual Funds - as Identified by SVO								
00142W-84-3	AIM TREASURERS SER TR	SD	03/29/2018	0.000	XXX	1,000,000	0	0
09248U-70-0	BLACKROCK LIQUIDITY FDS FEDFUNDS		09/21/2018	0.000	XXX	2,296,840	17,196	349,187
09248U-71-8	BLACKROCK LIQUIDITY FDS T-FUNDS		03/01/2018	0.000	XXX	0	0	3,083
8599999 - Exempt Money Market Mutual Funds - as Identified by SVO						3,296,840	17,196	352,270
All Other Money Market Mutual Funds								
09248U-61-9	BLACKROCK LIQUIDITY FDS TEMP FUNDS		09/21/2018	0.000	XXX	5,082,666	98,513	1,139,428
861195-48-5	PNC BANK BUSINESS PERFORMANCE MMF		03/01/2018	0.000	XXX	0	0	60,212
999839-24-4	PNC TREASURY PLUS MONEY MARKET CLA		07/31/2018	0.000	XXX	15,209	0	7,791
8699999 - All Other Money Market Mutual Funds						5,097,875	98,513	1,207,431
8899999 Total Cash Equivalents						18,295,771	133,144	1,559,701